
**Short-term Lease or Rental of Private Residences,
Homes, Condos and Other Accommodations**

**Sales &
Use tax
notice**

Sales of lodgings or accommodations are subject to tax under Tenn. Code Ann. Section 67-6-102(24)(F)(i), which defines a retail sale to include the following:

The sale, rental or charges for any rooms, lodgings, or accommodations furnished to transients by any hotel, inn, tourist court, tourist camp, tourist cabin, motel, or any place in which rooms, lodgings, or accommodations are furnished to transients for a consideration.

The tax does not apply, however, to rooms, lodgings, or accommodations supplied to the same person for a period of 90 continuous days or more.

Consistent with this statute, the Department has promulgated the following rule:

**1320-5-1-.70 HOTELS, MOTELS,
INNS, LODGING HOUSES,
APARTMENT HOUSES.**

(1) The sale, rental or charges for any rooms, lodgings, or accommodations furnished to transients by any hotel, inn,

tourist court, tourist cabin, motel, or any place in which rooms, lodgings, or accommodations are furnished to transients for a consideration, are subject to the sales tax. The tax shall apply to any charges made for rooms, lodgings or accommodations until the same person or persons has (have) occupied the rooms, lodgings, or accommodations for a period of 90 continuous days or more, and applies without regard to whether payment for the charges is ever received from that customer.

Under this statute and rule, the short-term (less than 90 days) lease of a private residence, home, condo or other facility for special events or other occasions is subject to sales tax. Accordingly, any management company engaging in the business of leasing or renting private residences, homes, condos or other facilities to transients on a short-term basis must register with the department to collect and remit the appropriate sales tax.

Have questions or comments? Please let us know. [Contact us.](#)

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